

# Citywide Waste Collection Public Comment: Questions Received by Council

Q: How does City expect smaller haulers to realistically bid with significant bond requirements, equipment and manpower requirements and other overly burdensome bidding requirements?

A: The City will look at its requirements and determine what parameters, if any, can be reduced to make the bid more accessible to smaller haulers. However, the City's first responsibility is ensuring the RFP supports improved services including collection, education, and enforcement.

Q: How will the City respond to resident's complaints that a single hauler system completely eliminates consumer choice and the freedom to switch to another hauler if residents are not happy with the service they are receiving far outweighs all other considerations?

A: Many communities similar in size to Reading provide waste removal as a municipal service. This is similar to other public works services or public utilities, which also operate as a sole provider within their service territory. This is because there are major efficiencies created when one entity provides service to an entire area. No solution will please everyone, but a municipal service ensures all properties have adequate trash service.

## Q: Will residents be able to negotiate different levels of service?

A: At this time there is not a plan to offer different levels of service, other than accommodations for residents with documented hardships, which could potentially include both limitations of both owner, such as disabilities, and limitations of the property, which may make curbside pickup impractical. The City is working with MSW Consultants to determine what accommodations are feasible.

## A: Is the system fair to many older residents who do not generate a lot of waste?

Q: All properties will receive the same basic level of service. The City could consider a senior discount or similar program if that is desirable. This could be done by the City outside the scope of the contract.



Q: How does the City justify putting the continued existence of many small businesses in serious jeopardy if this measure is not favored by many of its residents in the first place? The residents should have their rights to choose.

A: This is one strategy in part of a larger effort to clean up the city, and is not directed at any particular businesses. The City respects private haulers as small businesses, and understand this may not be in the best interest of those particular businesses, but the City is doing what it believes is in the best interest of the city as a whole. The vast majority of residents are already on the City's trash collection program. The residents concerned about this change, to date, represent a very small fraction of the households that would be served.

## Q: What type of price controls would be in place if the city uses a single hauler?

A: The City is committed to keeping its costs down and will provide a fee that is proportionate to those costs. Like with all sizeable services, the City would prepare an RFP and rebid this service every few years. The increased number of households, added assurance that households would not be lost to private subscriptions, and other efficiencies of an exclusive collection program will reduce risk to potential contracts thereby reducing costs. It also ensures a more level playing field, because the current system gives the incumbent hauler a strong advantage. The city's size, numerous haulers, and several disposal sites and recycling centers give the City leverage in the bidding process.

Q: What premise does the City base "less damage to City streets" with a single hauler? The trucks that Republic uses now are tri-axles versus the family owned trash companies duel-axle vehicles (example: Keith Kemp, Mountz, Speedy's, JAX, Harold Adam). We are not saying that Republic does "more" damage; simply that "less damage" is unfounded benefit?

A: There are currently over a dozen haulers servicing residential households in the City. Many of these service the same exact blocks every week, meaning there are multiple trucks driving the same street. For example, as of the February, 2020 data reported there are 7 different haulers serving households between the 1200 and 1300 blocks of North 11<sup>th</sup> Street. Reducing the number of vehicles will have numerous benefits to our roads, traffic, local air quality, noise, and more.



Q: Does the City understand the number of companies whose livelihood is dependent upon service to Reading, and whose business will suffer irreparable harm in the event this move to a single hauler is approved? Keith Kemp, Mountz, Speedy's, JAX, Harold Adam, AJ Blosenski, JD's Cleon Kemp, Ed Holland Trash Removal, Lawley's, GFL (formerly Lebanon Farms), to name a few, all provide excellent services at a fair price to their customers. Small, local companies should be of the utmost concern to Council, because they support the economy here. Some of these business will not be able to recover should this customer base is taken from them.

A: While the City respects these small businesses, the City is proposing this change because it is in the best interest of the city as a whole. The City is not preventing any haulers from doing business in the City. This only affects residential properties with 1-4 residential units. The City is also open to suggestions from these companies on how they can be involved in efforts to clean up and maintain the City.

Q: Commercial entities have the ability to choose their hauler. If we give business owners the choice to acquire the best service at the best price, why would Council take this option away from the average citizen?

A: Many businesses have trash that is on a scale of a type that exceeds a normal household level of waste. This often requires special collections or equipment.

Q: Of the 5,600 additional households that would be added to the City's collection program, approximately how many do not currently have a contract with a hauler?

A: The City cannot know this with any accuracy, which is a significant part of the challenge posed by private haulers serving residential properties. When the City discovers a property does not have a hauler or is removed from service by a hauler, the City follows-up. If the property owner does not provide evidence of a new hauler, the City places the property on Municipal service.

Haulers are required to report changes monthly but only three consistently do this. Not all submit biannual reports with their customer list. Many haulers submit customer lists that mix, and do not distinguish, between residential and commercial accounts. Moreover, the addresses (or lack thereof) used by haulers are not always the property address (mailing address, P.O. Box, etc.) Property



owners, required within 24 hours to submit notice to the City of a change in hauler do not report.

As of February, of the approximately 4,300 properties that are not serviced by the City's trash collection, about 3,200 have been reported by haulers to be on private service.

Q: When complaints are issued through the CSC about dumping at residential properties, improper trash set out, etc., are those properties checked to see if they are on the City's system or have a contract with a hauler? If they have neither are they placed on the City's program?

A: Yes, see above. Complaints are investigated. If a property is unable to provide evidence of a hauler, the property is added to City service. Illegal dumping typically happens in alleys, public property, and private property other than where the waste originated.

## Q: Does the City's hauler currently remove trash from properties that have delinquent collection fees or delinquent RAWA fees?

A: The City does not stop collection for non-payment. RAWA has programs for property owners struggling with their payments. Billing for trash and recycling recovers over 98% of fees billed.

## Q: When was the senior citizen discount removed from the Recycling Program?

A: The discount for eligible senior citizens was removed in 2014 when the structure of the fee was changed.

## Q: How many residents are on the City mandated program?

A: There are approximately 18,000 properties and 21,100 households on the City's trash program. The City does not collect information on the number of people living in each household.

## Q: What is actually collected in conjunction with this program versus what should have been collected?

A: Billing for trash and recycling recovers over 98% of fees billed.



## Q: How much did the city pay MSW Consultants to complete its report? Are these consultants truly independent?

A: The City contracted MSW consultants for a three different projects. The report was a very small portion of one of the three projects, where the total project budget is \$28,219. MSW Consultants was selected through a competitive RFP. MSW is an independent firm that has served as consultants for many communities large and small, including others in Berks County and Pennsylvania.

#### Q: What are the total anticipated costs of implementing this code revision?

A: The cost of this code revision is expected to be minimal above the costs of the project mentioned above. The revision is expected to reduce the rate for over 21,000 current ratepayers.

# Q: What actions does the city plan to take with regard to valid and enforceable contracts that many private haulers currently have with their customers?

This action would not invalidate existing contracts, but would subscribe all residential properties with 1-4 residential units into the Municipal Collection program.

# Q: How much does the City spend currently on educating the public with regard to proper disposal of trash and recycling? Will this amount be increased in the next budget?

The City spends about \$50,000 annually on education and enforcement. The City is planning to substantially increase both education and enforcement through this contract and other initiatives.

# Q: Council members mentioned numerous shortcomings of the previous RFP: what steps are being taken to absolutely confirm that similar mistakes are not made again?

A: The City is using a consultant to assist in the RFP development process. The City is going to make sure that the upcoming RFP eliminates the weaknesses in the prior RFP.



## Q: How many residents are fined for non-compliance with this program? How many people have actually paid their fines?

A: On average, approximately 3,300 properties have been issued waste-related tickets each year for the last three years. The Quality of Life (QOL) ticket process is designed to be a corrective process rather than a penal one. The City is taking steps to expand this work through the next collection contract and improvements in the Clean City program.

## Q: What is driving the need for a full citywide collection system at this point?

- a. What are the existing problems that will be solved?
- b. How will a citywide system solve them?
- c. Are there other functional areas / changes that will accompany this change to substantially improve the cleanliness of the city?
- d. Are there existing internal administrative roadblocks that don't allow the existing system to work? (i.e. hauler lists, etc.)

A: There are a number of challenges with waste management in our community, such as accountability, inefficiency, and improper disposal practices. The City is moving forward with numerous solutions. An exclusive collection program for residential properties and a SWEEP program with dedicated education and enforcement officers are the foundation for a clean city. Our disconnected system with over 15 haulers creates opportunities for individuals to improperly dispose of their waste, which harms everyone. This is exasperated by an environment where reporting requirements are frequently ignored and many property owners change haulers regularly.

## Q: What (if any) or any other driving factors for putting this initiative out this year in a very short time window?

a. Is it just a cost savings initiative?

A: This initiative is aimed at increasing accountability, reducing costs, streamlining services, reducing administrative burden, and providing the foundation for a clean city.

The initiative is being discussed this year due to the current contract cycle and the desire to improve the City. This initiative was considered under the Scott administration, but Clean City was not prioritized and the decision was tabled. A



clean, safe city is a priority of the Moran administration and the status quo is not cleaning up our community.

Q: Does the current very short time window really allow for us to craft an RFP that addresses the various different scenarios and needs. (senior rates, rear collections for select addresses, rear collection in core areas such as downtown, route cleanups (and accountability) by citywide hauler, etc.)

A: The RFP already incorporates improvements in performance and accountability for the contractor, an option for rear alley collection, and accommodations for people with documented hardships, and increased education and enforcement. A senior discount could be integrated by the City outside the RFP process. To maximize RFP effectiveness, a level of service and number of homes is required.

Q: Wouldn't a one year extension of the existing contract make more sense to allow us more public discussion and a more in-depth RFP request addressing the various needed scenarios?

A: While the contract allows a one year extension, this may not be in the City's best interest. There are opportunities to improve service, leverage economies of scale, increase education and enforcement, and reduce administrative burden by entering into a new contract.

Q: What could be placed in a new RFP to require more accountability to citywide hauler for clean up along routes and perhaps extensive clean-up activities?

A: A new RFP will incorporate many improvements such as stricter service requirements, expanded education, enhanced customer service, and more robust reporting. These will be backed by clearer expectations and accountability measures, such as payment deductions, if the contractor does not meet its obligations. Further, establishing a SWEEP program provides resources to monitor and evaluate the contracted hauler, in addition to providing public education and enforcement.

Q: Everyone keeps saying that 80% of residents have chosen municipal trash. While 80% are on City trash, that is misleading -60% of those homes are rental units and are mandated to be on city trash.



A: Although past media coverage reported that all rentals were mandated to be on City trash service, this was not in fact the case. When the City started service in 1999 only approximately 6,500 households were included. Currently, the City's service covers about 21,000 households, 79% of which are rentals. By comparison, private haulers serve around 5,600 households, 89% of which are rentals. 88% of homeowners are using the City's service.

Q: It was brought up that we use to have 27 haulers and we are now down to 7 haulers. When you take 60% of someone's market share away, the haulers are going to go away.

A: There are currently 17 private haulers known to be serving residents and/or businesses in the City. As mentioned in the previous response, the City never enrolled all rental properties in the City's service. Property owners have consistently migrated to the City's service over the last two decades.

Q: There was a referendum on this years ago. If you think that people's opinions have changed, do you need another referendum? You are asking me to put my trash out front, I have a disability, how am I supposed to do that?

A: Per the City's charter, City Council shall "take no action to repeal or significantly modify an ordinance adopted by initiative and referendum within a period of two years from the date of the election at which the ordinance was approved."

The City already provides accommodations to residents on the City's service who have a documented hardship. The City will be continue this as well as implement rear-alley collection, where feasible, starting in 2021.

Q: You are asking me to put my trash out front, I have a disability, how am I supposed to do that?

A: The City already provides accommodations to residents on the City's service who have a documented hardship. The City will be expanding this as well as implementing rear-alley collection, where feasible, with the new waste collection contract.

Why does citywide trash collection keep coming up? I am a senior, handicapped, and low income and I could not afford City service or put my trash out front. What happened to the senior discount?



A: Citywide trash collection is a continued question for the City because it is known to be one of the most critical components of building a clean city. It is best practice and most communities of Reading's size or larger, including peer cities like Allentown and Lancaster, have all seen improvements in the cleanliness of their city by moving to citywide waste collection. As mentioned in the previous response, the City will increase the level of service for collection from the rear of homes and people with documented hardships. Additionally, the City has proposed a 50% senior discount.

#### Q: Will the same company provide collection services?

A: The company will be selected through the Request for Proposal (RFP) process. The City publishes a formal request for service and chooses the company whose proposal provides the overall best value.

Q: 3. I can call my hauler to remove items dumped in the alleyway. How will the City's hauler, or the City, handle alley cleanups? Will this be done in a timely manner? Who does she call to report the problem?

A: The City already has a cleanup crew that responds to these types of requests. They complete hundreds of cleanup projects a year. The best way to contact the City is by calling the Citizens Service Center at 1-877-727-3234.

Q: Is there a correlation between how much the City spends on abatement and how much the City does not receive for those services from households that opt-out of trash collection?

A: Yes. About \$73 of the \$204 annual trash fee goes towards citywide abatement efforts. With about 5,600 households not participating, this means the program must split over \$400,000 between the remaining households. Each participating household must pay a premium of \$15-20 to support those that opt-out.

## Q: What are residents currently paying for trash service?

A: Currently, households participating the City's collection program are paying \$16.96 per month. Of this, approximately \$6.00 goes towards citywide abatement efforts. This means trash collection is about \$11 per month. Households not participating in the City's trash program pay a wide range of costs depending on their situation and private hauler. Based on feedback from residents, some are paying more and others are paying less than the City's rate.



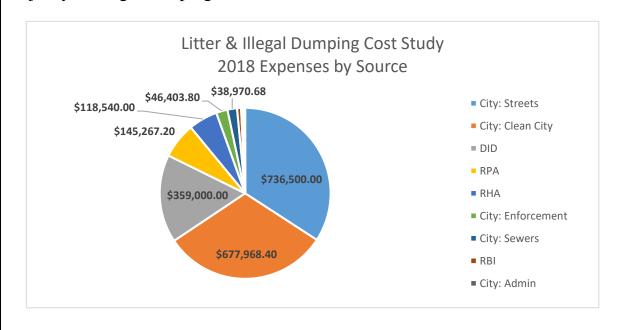
## Q: What evidence is there that citywide waste collection will reduce costs to the City and to residents?

A: The rate paid by Reading residents is on par with many communities (see <u>Technical memo: waste program benchmarking</u>). Reading residents pay approximately \$158 for collection and disposal, compared to \$179 in Lancaster. This shows the value of bundling more properties – Lancaster is about a third smaller and has a higher rate. Other studies have also shown that citywide collection provides an all-around better rate than individual private agreements (<u>Benefits of Organized Collection</u>).

Unlike peer communities, Reading's spends significantly more on illegal dumping abatement - \$4.57 *per capita* compared to \$3.05 in Allentown and \$0.15 in Lancaster (KPB Litter Cost Study).

## Q: How much does the city currently spend on abatement, and how is this money spent?

A: The City currently spends about \$2 million annually on abatement costs (KPB Litter Cost Study). With the current level of litter and illegal dumping, this is only a fraction of what would be needed to keep the city clean. The majority of costs are by street sweeping and the clean city crew, which does that vast majority of illegal dumping abatement. In 2018, estimated costs are:





## Q: Have abatement costs have risen astronomically since littering is no longer deemed a criminal offense proactively enforced by cops?

A: This question incorrectly implies that the police can no longer enforce litter and illegal dumping violations.

### Q: How is ordinance addressing enforcement?

A: This ordinance contains numerous improvements beyond citywide waste collection, such as specifying waste collection limits and requirements. This will aid in enforcement. More importantly, citywide collection will provide cost savings to use towards developing a Solid Waste Education and Enforcement Program (SWEEP) which has proven highly effective in other communities.

#### Q: Have you considered education in this ordinance?

A: The ordinance has little impact on education. The City already has an education program and the SWEEP program mentioned above will enhance existing efforts. The contractor will also be required to support education efforts.

Q: Have you considered monthly or semi annual large trash dump events where folks can dump large items into dumpsters provided at a location by the city? Would this be more efficient than citywide abatement?

A: The City already offers an annual 'Spring Cleanup" event where residents can get rid of excess junk items. This event was cancelled in 2020 due to COVID-19 safety guidelines.

Q: Have you reached out to the bright youth of this city, through organizations like the Olivet Boys and Girls Club, to form grants to pay students to clean up litter?

A: The City actively works with youth through numerous partners. Many of the largest cleanups in the city involve youth such as the Great American Cleanup, Youth Day of Service, JROTC annual cleanup, etc.